IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION

INCOME TAX REFERENCE NO.746 OF 1998

The Commissioner of Income Tax
Bombay City-VI, Bombay .. Applicant.
V/s.
M/s.Sunil Metal Inds. (Pvt)Ltd. .. Respondent.

Mr.A.S. Rao i/b. Mr.Pankaj Kapoor for the applicant.

CORAM : V.C. DAGA &
J.P. DEVADHAR, JJ.

DATED : 5TH APRIL, 2005.

P.C. :

1. Heard learned counsel for the applicant. The Tribunal has referred question for the opinion of this Court reading as under :-

> Whether in the facts and in the circumstances of the case, the Tribunal was right in law in confirming the order of the Commissioner of Income-tax (Appeals), directing the Income-tax Officer not to reduce the amount of Government subsidy from the cost of fixed assets for the purpose of allowing depreciation and investment allowance ?

2. The above question has already been answered by the Apex Court in the case of **C.I.T. V/s. P.J. Chemicals Ltd. [(1994) 210 I.T.R. 830 (SC)]** in the affirmative i.e. in favour of the assessee and against the revenue. In this view of the matter, reference stands disposed of in terms of that judgment with no order as to costs.

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